### <u>REMARKS</u>

Claims 1-19 and 21-35 are pending in this application, all of which stand rejected. In the Office Action mailed on November 30, 2004, the Examiner rejected claims 1-3, 7-9, 11, 12, 17-19, 22-24, 28-30 and 32-34 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,890,136 to Kipp ("Kipp") in view of U.S. Patent No. 6,496,806 to Horwitz et al. ("Horwitz"); and rejected claims 4-6, 10, 13-16, 21, 25-27, 31 and 35 under 35 U.S.C. § 103(a) as being unpatentable over Kipp in view of Horwitz and U.S. Patent No. 6,463,345 to Peachey-Kountz et al. ("Peachey-Kountz"). Applicants respectfully traverse the Examiner's rejections. Further examination and review in view of the remarks below are respectfully requested.

## Applicants' Techniques

Applicants' techniques are directed to tracking orders at a unit level. One aspect of Applicants' techniques provides a unit order system that interfaces with an existing order processing system to track orders at the unit level. The order processing system provides an order database that typically includes an order record for each order and an item record for each item of the order. The unit order system provides a unit order database that includes a record for each unit of each item of each order in the order database. The unit order system periodically accesses the order database to identify new orders or changes to existing orders in order to update the unit order database to reflect the new, changed or canceled orders.

### Cited References

#### <u>Kipp</u>

Kipp describes a method for ordering and purchasing articles from a remote location for pickup at an article pickup area at an automated store. A central computer receives a customer's purchase order and stores the purchase order in a database. Subsequently, during article pickup by the customer, the central computer verifies the order by checking the order database and the information on file for that order. If the customer order is verified, then the central computer enables a release mechanism for

the articles ordered to cause the articles to be rapidly dispensed into the retrieval basket, and thereafter transported to the article pickup area.

#### <u>Horwitz</u>

Horwitz describes a method for tracking a cluster of items using records stored in a central database. A tag configured to transmit a signal representing a tag ID is attached to each individual item. The central database contains records for individual items and records for clusters (i.e., pallet, crate, etc.) of items. For example, when several items have been grouped together on a pallet, the pallet ID and the tag IDs for each of the items is saved in the central database. The records in the database are then linked together within the database to enable the pallet ID to be determined from the tag IDs, and to enable the tag IDs to be determined from the pallet ID.

## I. Rejections under 35 U.S.C. § 103

All of the claims stand rejected over Kipp in view of Horwitz or Horwitz and Peachey-Kountz. Applicants respectfully traverse this rejection. All of Applicants' claims include the common features of (1) updating a unit order database to include a record for each unit of each item of each order of the order database, and (2) when status of an item of an order changes, setting a status in the record of the unit order database for the unit of the item of the order to reflect the changed status so that the status of each unit of each item of an order can be tracked separately.

In rejecting the claims, the Examiner appears to indicate that Kipp's automatically tracking of the inventory of articles to be purchased (col. 2, lines 34-37) and inventory database (col. 5, lines 47-64) correspond to Applicants' separately tracking the status of each unit of each item of an order.

Applicants respectfully disagree. Kipp and the other references do not disclose, suggest or teach tracking the status of each unit of each item of an order. Instead, Kipp merely describes tracking the removal of articles from their respective storage locations using an inventory database to allow a central computer to order additional articles as required. (col. 5, lines 52-64; col. 2, lines 34-37). This is in contrast to Applicants'

separately tracking the status of each unit of each item of an order. Applicants can find in Kipp no such disclosure or suggestion.

In rejecting the claims, the Examiner conceded that Kipp "fails to disclose the use of a unit order database that includes a record for each unit of each item of the order," but asserted that "Horwitz discloses the use of a method and system for tracking each individual item of a cluster of items (See abstract) that can be used for purchase order systems (Column 1, lines 17-63), where a record for each item is stored in a database, and each record is linked through a cluster, so that when the status of one item changes, the cluster changes (see Column 4, lines 40-57, Column 1, lines 1-20, and Column 8, lines 17-24)," and that "it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Kipp, to include the method and system of tracking each individual item of a cluster, as disclosed by Horwitz, in order to more accurately track items that are moved, handled or processed in clusters." Applicants respectfully disagree.

Horwitz does not disclose, suggest or teach updating a unit order database to include a record for each unit of each item of each order of the order database, nor does it disclose, suggest or teach setting a status in the record of the unit order database for the unit of the item of the order to reflect the changed status when the status of an item of an order changes. Instead, Horwitz merely describes using and linking tag IDs and cluster IDs in a centralized database to enable the cluster ID to be determined from the tag IDs, and to enable the tag IDs to be determined from the cluster ID. (described at col. 6, lines 9-54, col. 7, line 64-col. 8, line 49, and col. 9, lines 33-56, and shown in Figs. 1, 2 and 4). According to Horwitz, a tag, which is configured to transmit a signal representing a tag ID, is attached to each item, and each tag ID is recorded in the central database (col. 6, lines 11-20). Thus, in Horwitz, a record for each item exists in the central database irregardless of whether the item is grouped into a cluster. This is in contrast to Applicants' unit order database which includes a record for each unit of each item of each order of the order database. Moreover, in Horwitz, when several of the items are grouped into a cluster, the tag ID for each of the several items that are grouped into the cluster is stored in association with the cluster ID. (col. 6, lines 27-32). This allows an item to be tracked by linking its tag ID to the cluster or pallet ID in the central database. (col. 4, lines 44-46; col. 6, lines 27-32; col. 8, lines 16-24). This is in contrast to Applicants' setting a status in the record of the unit order database for the unit of the item of the order to reflect the changed status when the status of an item of an order changes. Applicants can find in Horwitz no such disclosure or suggestion.

# II. <u>Conclusion</u>

In view of the foregoing, Applicants respectfully submit that claims 1-19 and 21-35 are allowable and ask that this application be passed to allowance. If the Examiner has any questions or believes a telephone conference would expedite prosecution of this application, the Examiner is encouraged to call the undersigned at (206) 359-8000.

Respectfully submitted,

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